WORLD BANK NEWS

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LENDING

Building Better Schools in Pakistan

Project Targets Education for Girls

Good basic education is a critical stepping stone for a country, such as Pakistan, working to build a modern, market-based economy and to improve its people's lives. Education—especially for girls—means more choices and more skills, higher wages and higher living standards, and without it countries cannot compete in the global economy. But education in Pakistan, despite recent economic progress, lags behind other countries in the region, and the national literacy rate is only 30 percent.

Pakistan's government has now fixed better primary education as a national priority, and a new $150 million credit from the International Development Association will help improve schools in one of the areas that needs the most help, the diverse and heavily rural North-West Frontier Province. With this program, all four of Pakistan's provinces will now have an IDA-backed primary education system in place. Literacy in the province is below 22 percent, 40 percent of kindergartners don't go on to finish the fifth grade and only 22 percent of schools are girls schools. And severe inequities exist in education between districts, rural and urban areas and between males and females.

C. Carnemark/World Bank

Pakistan's class act.

The credit will help Pakistan to get more children in—and through—primary schools and to improve the overall quality of their education. The five-year program is expected to increase primary enrollment by about 886,000 new students, more than 40 percent of whom will be girls. Educating girls is a key focus of the project—as it is in most of the Bank's education work—because world-wide research has shown it to have broad side benefits. It promotes child health and reduced fertility, for example, particularly important given Pakistan's high popula-

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Girls' Education is the Best Investment

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tion growth rate. Sixty percent of the program's 23,000 new classrooms will be for girls.

"Girls with more education grow up to be women who have fewer and healthier babies, make more informed choices about caring for their families and environment, and become more skilled workers," said World Bank Managing Director and Acting President Sven Sandstrom at last week's World Summit for Social Development in Copenhagen. "That is why getting more girls into school is the most effective investment in the world today."

The program will also promote the placement of local teachers and involve local parents in school affairs, which will encourage students to continue their education at the same time it provides more resources for the schools.

The new project will boost education access, equity and efficiency in the province by:

- locating schools where there is a community demand for enrollment;
- consolidating schools with low enrollment;
- promoting co-education schools in receptive communities;
- increasing the supply of female teachers by training and recruiting women;
- subsidizing private schools catering to low-income areas and rural girls.

The project will also improve the learning environment by:

- strengthening textbook development and subsidizing production so that all students have access to high-quality, affordable books;
- providing all classrooms with a standard set of instructional materials;
- improving teacher education and providing them with academic support.□

☎For More Information *on the Pakistan education program, contact Paul Mitchell at (202) 458-1423.*

Pakistan Targets Population Growth

Pakistan is the eighth most populous country in the world with more than 120 million inhabitants, and its growth rate is the highest of all large Asian countries. Continuing high fertility is part of a web of poor social indicators, tied to low education levels for women, high child and maternal mortality and the scarcity of family planning services. At the present population growth rate of about three percent per year the population will double again in the next 23 years.

To help Pakistan's efforts to reduce high population growth, IDA on March 14 approved $65 million credit to the country. The project will back a major expansion of family planning services and, through more education and information, outreach programs to stimulate a demand for services. It will increase the country's currently low use of contraceptives and start to reduce the high fertility and population growth rates, which are a huge constraint on the economic and social development of the country.

The Government's long-term target through this project, is to expand coverage of family planning services to 100 percent of the people in urban areas and 70 percent in rural areas, from 54 percent and five percent at present. A near doubling of contraceptive use and a 10 percent reduction in fertility is projected.

The project will help women attain their reproductive health goals and provide a substantial number of work opportunities to women. A crucial new village outreach program will greatly facilitate community involvement in the program and increase the number of village health workers from a few hundred to 12,000, so that each village of 2,000 people or more will have one worker. The program also provides support for NGO efforts through the creation of a trust fund for NGO activities in the population sector.

J. Briscoe

Crowd control.

READEX FICHE

LENDING

Kenya, NGOs and World Bank to Battle AIDS at Community Level

Kenya enjoys better health standards than many of its neighbors in Sub-Saharan Africa. But the spread of AIDS—with its enormous human, social and economic costs—threatens three decades of hard-won health gains. One in fourteen Kenyan adults is HIVpositive and as many as 50,000 children may also be infected. Up to one million adults could die from AIDS in Kenya between 1992 and 2000. Public health experts predict that AIDS will reduce the country's overall life expectancy by nearly 17 years by century's end.

Child survival rates will also be devastated through prenatal infection. Equally traumatic will be an increase in the number of orphans, which may rise from the 1990 estimate of 25,000 to nearly 600,000 by the year 2000.

Prevention remains the only way to reduce the spread of AIDS and othersexually transmitted diseases, and a new $40 million credit from the International Development Association aims to boost Kenya's plan for targeted prevention. Under the project, Kenya will decentralize its AIDS prevention efforts and work more closely with grassroots groups.

"I am very excited by the project because it is the very first time that the government and non-governmental organizations in Kenya have jointly developed procedures for participation and involvement," says Vulimiri Jagdish, a physician and senior public health specialist in the Bank's East Africa Region and task manager for the project. "I am very hopeful because this project has gotten down to the community level. By working through grass-roots organizations, the government should be in a position to provide better community-based home care, as well as culturally sensitive information messages and materials."

The project will promote prevention as the only way to reduce the spread and impact of sexually transmitted diseases. By working to enhance both health sector and community provision of physical and psychological care, Kenya will be able to begin developing strategies to mitigate the socioeconomic consequences of this devastating illness.

In Kenya, as in most tribal societies, extended families band together when tragedy strikes. However, if the spread of AIDS is not arrested, this traditional form of support may start breaking down as the disease spreads and further wrenches apart Kenyan families and society.

Already, the social and psychological costs of HIV infection are enormous. By 2000, the cost of caring for AIDS patients could consume the government's entire health budget. By 1991 the cost of caring for AIDS patients already consumed between 10 percent and 34 percent of the government's health budget, while more than 40 percent of all hospitalized patients were HIV-infected.

Investment in reducing STD's and HIV should produce savings and increase economic activity through carefully targeted interventions. For instance a Nairobi program found that 6,000 to 10,000 new HIV infections a year were averted at a cost of only 50 cents each in prevention and education.

The project hopes to achieve a 30 percent increase in condom use and to educate at least three-quarters of the population on effective ways to protect themselves from HIV infection. □

☎For More Information *on Kenya and the World Bank, contact Eric Chinje at (202)473-4467.*

Women's Health Moves to Forefront in Philippines

In the Philippines, under-investment in women's health has increased maternal health problems. The Philippines maternal mortality rate is double that of Thailand, and nearly 60 percent of lower-income women, most of whom live in rural areas, give birth without help from a physician or a trained midwife.

Although the economy of the Philippines is improving, the challenge remains to translate economic gains into improvements in health. The government has recognized that women's health issues merit special attention and has increased funding to secure a cleaner bill of health—along with greater productivity—for future generations.

To back the Philippines' renewed commitment to women's health, the World Bank approved on March 9 an $18 million loan to help finance a Women's Health and Safe Motherhood Project. The project will immediately help improve the health of more than four million women projected to become pregnant during the life of the five-year project, and over the long-term

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World Bank

A healthier future.

Health Project to Help All Philippine Women

PHILIPPINES, *from page 3*

it will help boost the health of all women in this country of over 70 million.

The loan is part of a nationwide government program that expands maternal and child health care beyond it's usual concentration on the child to provide more benefits to mothers.

"The preparation of this project assisted the government in developing a national policy that focuses on the health needs of women," says Maria Dalupan, Bank task manager for the project.

The project will help some 500,000 pregnant women who will suffer from obstetric complications; about 1.7 million women of reproductive age who will seek family planning services; and many victims of reproductive tract infections, sexually transmitted diseases and cervical cancer.

The project is part of the government's major decentralization of Philippine health services—including learning from and scaling up past successful efforts at community participation—and its commitment to improve public health. □

☎For More Information *on the Philippines' Women's Health and Safe Motherhood Project, contact Rachel McColgan-Mohamed at (202)522-3405.*

Loans to Bolster Mexico's Banking Sector

The World Bank and the Mexican government this week announced a program to strengthen Mexico's banking sector. A memorandum signed March 9 by Bank Managing Director Richard Frank and Mexican Finance Minister Guillermo Ortiz Martinez indicated the Bank will propose loans in 1995-96 of $1.5 billion for the banking sector and $500 million to strengthen key social sector programs.

VERBATIM

On March 16, World Bank Managing Director Richard Frank spoke before the Akron (Ohio) City Club on emerging markets, the U.S. and Mexico.

"The Markets of Tomorrow"

As never before in history, events unfolding far from our shores are changing the way Americans do business.

The pace of the global economic revolution is breathtaking. Roughly five billion people now live in market-oriented economies versus just one billion a decade ago. Nations everywhere are abandoning failed experiments with central planning and acknowledging that no government is smart enough to orchestrate all aspects of economic life.

Instead, a broad understanding has taken hold that competitive forces in an integrated global marketplace demand a new model based on free markets, free trade, and individual liberty. Now the nations which used to be known as the "Third World" are transforming themselves into emerging markets.

Many people are still used to thinking of the "Third World" as a single homogeneous bloc of nations: all of them poor, backward, utterly dependent on foreign aid.

These people are generally unaware that during the first three years of this decade, the developing countries contributed 70 percent of the growth in global GDP and half the growth in trade. Growth rates in Asia and Latin America were double those in OECD countries. The myth of a monolithic "Third World" was always distorted. Today it is plain wrong...

Emerging Markets and the World Bank

The Bank's mission is to improve the standard of living in developing nations by promoting economic growth. It is a mission to which the Bank brings unique advantages and strengths.

First: Finance. With just a little over $10 billion in paid-in capital from its shareholder governments, the Bank has provided around $250 billion for over 6,000 projects. The Bank's remarkable financial management record has earned it a triple-A bond rating. It has

M. Iannacci

Richard Frank

consistently earned a profit—over $1 billion in fiscal 1994 — which is reinvested or used for priority missions. And no borrower has ever defaulted on a World Bank loan.

The result is that today the Bank borrows on the world's capital markets at costs often below those of industrial governments, passing on those savings to developing nations by lending at longer maturities and lower spreads than those of commercial banks.

The Bank's second unique advantage is its capacity to offer advice through its long-term relationships with virtually every developing country. In fact, it is often the Bank which first opens the doors to emerging markets, helping governments to put in place economic policies conducive to private investment.

Major international investors, for their part, often wait for the Bank to sound the "all-clear" before commiting resources to a new market.

☎For more information or a full text of Frank's speech, *contact Fahima Abdalla at (202) 473-2332.*

Development Agenda

Date	Event	Sponsor	Location	Telephone
MARCH				
13-24	39th Session of the Commission on the Status of Women	United Nations	New York	(212)963-5873
16-17	Second Meeting of State Financial Borrower Agents of Multilateral Agencies	ALIDE (Latin American Association of Financial Development Institutions)	Lima	(51-14)42-2400
17	Seminar: Environmental Strategy in Middle East/North Africa	World Bank	Tunis	(202)473-2318*
17	Seminar: Financing International Development	Australian Society of Accountants	Canberra	(202) 458-0344*
20	Moldova Consultative Group Meeting	World Bank	Paris	(33-1)4069-3016
21-22	Ukraine Consultative Group Meeting	World Bank	Paris	(33-1)4069-3016
22-24	Second Annual Congress of the Americas	World Congress, Inc.	Mexico City	1-800-767-9499*
26-31	Seminar on Port Reforms	World Bank/IDB	Barcelona	(202)473-8606*
APRIL				
1	Conference on Medical Education: The Relevance of Medical Education to Better Health in Africa	World Health Organization	Cape Town	(202)473-4128*
3-6	Sixth Global Warming International Conference and Expo	The Global Warming International Center	San Francisco	(708)-910-1551*
17	Congress of the Americas: The Role of Multilaterals in Developing Infrastructure in Latin America	World Congress, Inc.	Mexico City	(202)473-2763*
25-26	Bangladesh Aid Group Meeting	World Bank	Paris	(33-1)4069-3016
27-28	Sri Lanka Aid Group Meeting	World Bank	Paris	(33-1)4069-3016

Editor's Note: *Development Agenda* is a feature that alerts journalists to key news events in the field of economic development. Journalists should contact sponsoring agencies for details about each event. Asterisk (*) indicates telephone number is in the U.S.A. All other telephone numbers include country and city codes.

ANNOUNCEMENTS

Wolfensohn Nominated to Head World Bank

The World Bank's executive director from the United States, at the request of U.S. President Bill Clinton, this week nominated James Wolfensohn to be the next president of the World Bank.

The nomination will now go before the Bank's Board of Executive Directors, who will make the selection of the next president. Bank President Lewis Preston, who took office in 1991, is retiring before the end of his term for health reasons.

Wolfensohn, a naturalized U.S. citizen born in Australia, has wide experience in development, population and environmental issues and the arts, as well as in finance. President and CEO of James D. Wolfensohn, Inc., a New York-based investment bank, Wolfensohn also is a director of the Business Council for Sustainable Development and a member of the board of the Population Council. His involvement with global environmental issues dates from his advisory role in the 1972 U.N. environmental conference in Stockholm. An accomplished cellist, he has served since 1990 as chairman of the Board of Trustees of the Kennedy Center for the Performing Arts in Washington, D.C.

"I am delighted that the U.S. government has decided to nominate Jim Wolfensohn to be the next president of the World Bank," said Preston. "He has proven himself to be a strong leader and there is no doubt that the Bank will prosper in his able hands."

Kennedy Center

James Wolfensohn

The Bank's Articles of Association don't specify the nationality of its president. But by custom, the Bank's U.S. executive director makes a nomination and by long-standing informal agreement, the President of the World Bank is a U.S. national, while the managing director of the International Monetary Fund is a European.□

CHAD Chad's economic growth in 1994 increased sharply and inflation, while high, has been contained within a targeted range. To build on Chad's progress, and to help it realize its strong agricultural potential, IDA on March 14 approved a $24 million credit to help Chad improve farm and livestock extension services, agricultural research and farmer's organizations. For more information, contact Eric Chinje at (202) 473-4467.

MOLDOVA Outside investors--crucial to Moldova's export performance--are reluctant to do business in Moldova without guarantees against government and political risks during the country's transition period. To increase private capital flows to Moldova, the World Bank approved on March 9 a $30 million stand-by loan for an independent agency to sell guarantees against risks of *force majeur* and government performance to qualified overseas investors. For more information, contact Jan Pakulski at (202) 473-1797.

RUSSIA Russia is reforming its tax system, which must be improved to keep up with increasing private sector activity. Millions more profit tax and VAT returns are being filed. A $16 million World Bank loan will help the country modernize tax administration in two key regions with better procedures, automation and training. And the project will boost the administrative capacity of the national tax service. For more information, contact Jan Pakulski at (202) 473-1797.

WORLD BANK NEWS

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